

Message Text

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SUBJ: PRESIDENT PEREZ'S PRESS CONFERENCE FOR FOREIGN
JOURNALISTS

1. BEGIN SUMMARY. PRESIDENT PEREZ, DURING A JANUARY 2
PRESS CONFERENCE FOR FOREIGN JOURNALISTS , TOUCHED ON
A NUMBER OF SUBJECTS, INCLUDING THE GOV'S DETERMINATION TO
MAINTAIN OPEC PRICE LEVELS FOR OIL WHILE SEEKING TO MAKE UP
A SHORTFALL IN SALES THROUGH MARKET DIVERSIFICATION, THE GOV'S
INTENTION TO CONTINUE PRESSING FOR AN INTERNATIONAL AGREEMENT
AGAINST TERRORISM, AND CONDEMNATION OF OUTSIDE INTERVENTION
(US, SOUTH AFRIAN, AND CUBAN) IN ANGOLA.
END SUMMARY.

2. PRESIDENT CARLOS ANDRES PEREZ HELD A LENGTHY PRESS
CONFERENCE JANUARY 2 FOR ABOUT FIFTY FOREIGN JOURNALISTS
(MOSTLY LATIN AMERICAN) VISITING VENEZUELA FOR THE PETROLEUM
NATIONALIZATION CEREMONIES. PEREZ DECLARED THAT VENEZUELA HAS
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NEVER THOUGHT OF REDUCING THE AMOUNT OF OIL SUPPLIED TO THE US,

WHICH WILL REMAIN THE MOST IMPORTANT MARKET FOR VENEZUELAN OIL. AS A PART OF ITS DRIVE TO DIVERISFY MARKETS PEREZ SAID VENEZUELA IS GOING TO TRY TO RECAPTURE THE BRAZILIAN MARKET WHILE INCREASING ALL FORMS OF TRADE BETWEEN THE TWO COUNTRIES. HE REAFFIRMED THE GOV'S DETERMINATION TO CONTINUE MAINTAINING OPEC PRICE LEVELS AND NOTED THAT THE GOV COULD HAVE CONTRACTED TO SELL 2.4 MILLION B/D, INSTEAD ON ONLY 1.5 MILLION, OF OIL TO THE MULTI-NATIONAL OIL COMPANIES IF THE GOV HAD BEEN WILLING TO ACCEPT A LOWER PRICE. ASKED HOW THE POORER COUNTRIES COULD PAY THEIR OIL BILL, PEREZ REFERRED TO A PROPOSED OPEC FUND TO AID SUCH COUNTRIES AND SUGGESTED THAT OTHER COUNTRIES SHOULD EMULATE THE OPEC EXAMPLE AND CHARGE MORE FOR THEIR PRIMARY PRODUCTS.

2. IN SPITE OF ALGERIA'S RELEASE OF THE TERRORISTS WHO HELD HOSTAGE THE OPEC OIL MINISTERS, INCLUDING VENEZUELAN MINES MINISTER VALENTIN HERNANDEZ, PEREZ REFUSED TO CRTICIZE THE GOA FOR ITS LENIENCY. HE NEVERTHELESS REPEATED HIS CALL FOR AN INTERNATIONAL AGREEMENT AGAINST TERRORISM SAYING IT IS THE DUTY OF ALL NATIONS TO STRIVE TO PUT AN END TO "THIS NEW SYSTEM OF TERRORIST PIRACY THAT HAS COME ABOUT WITH THE COMPLI-CITY MANY TIMES OF GOVERNMENTS."

3. CONCERNING FOREIGN INTERVENTION IN ANGOLA, PEREZ DESCRIBED THIS AS A "VERY DELICATE PROBLEM." HE SAID THE GOV'S POSITION WAS THAT "THE ANGOLANS" HAVE THE RIGHT, WITHOUT THE INTERVENTION TO THE US, SOUTH AFRICA, AND THE CUBANS ("WHETHER FROM CUBA OR THE UNITED STATES"), TO MAKE THEIR OWN DECISIONS AND "TO HAVE THE GOVERNMENT THAT THE PEOPLE WANT."

4. PEREZ INSISTED THAT THE SHORTFALL IN OIL SALES WILL NOT AFFECT THE NATIONAL BUDGET. HE SAID THE FINANCE MINISTRY IN PLANNING THE 1976 BUDGET HAD NOT ANTICIPATED INCREASED OIL REVENUES ARISING FROM THE RECENT 10 PERCENT OPEC PRICE INCREASE. PEREZ NEVERTHELESS STATED THAT THE GOV MUST REDUCE ITS EXPEN-DITURES ON THE GOVERNMENT BUREAUCRACY, DESCRIBING IT AS "MORE WASTEFUL THAN ANY OTHER BUREAUCRACY IN LATIN AMERICA." MORE-OVER, HE DEPRECATED THOSE ASPECTS ON VENEZUELAN SOCIETY THAT DID NOT DEMAND HIGHER PERFORMANCE FROM THE PUBLIC SERVICE.

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PEREZ SAID PETROLEUM HAD HURT VENEZUELA IN THAT VENEZUELAN HAD BECOME ACCUSTOMED TO A TOO EASY WAY OF LIFE. AS IN HIS JANUARY 1 SPEECH, PEREZ CRITICIZED THE VENEZUELAN PROPENSITY TO IMPORT LARGE QUANTITIES OF CONSUMER PRODUCTS.

5. PEREZ STATED THAT THE SURVIVAL OF DEMOCRACY REQUIRES MEASURES TO CHECK THE CONCENTRATION OF WEALTH IN A FEW HANDS. HE ASSERTED THAT IN VENEZUELA INCREASES IN PRODUCTIVITY ARE

NOT DISTRIBUTED "EQUITABLY AND PROPORTIONATELY" BETWEEN CAPITAL AND LABOR. AS A RESULT PEREZ SAID HIS ADMINISTRATION'S LEGISLATIVE PROGRAM WAS AIMED AT "CREATING NEW RESPONSIBILITIES FOR THE CAPITAL SECTOR AND NEW BENEFITS FOR THE WORKERS' SECTOR." PEREZ WARNED THAT IF A BETTER DISTRIBUTION OF WEALTH AND AN IMPROVEMENT IN THE STANDARD OF LIVING DID NOT COME ABOUT IN THE LONG RUN, THIS MIGHT LEAD TO A MILITARY GOVERNMENT IN VENEZUELA AS HAS HAPPENED ELSEWHERE IN LATIN AMERICA.

6. PEREZ SAID THE MULTINATIONAL COMPANIES COULD BE AN OBSTACLE OR OF GREAT BENEFIT TO THE ANDEAN PACT AND LATIN AMERICA. "EVERYTHING DEPENDS ON THE WAY WE ACCEPT THEIR PRESENCE IN OUR COUNTRIES," PEREZ CONTINUED. "WE SHOULD RESTRICT THEIR PRESENCE TO THOSE AREAS WHERE THEY BRING IN CAPITAL AND TRANSFER TECHNOLOGY TO US," HE ADVISED. PEREZ WARNED THAT THE MEMBERS OF THE ANDEAN PACT AND THOSE LATIN AMERICAN COUNTRIES THAT DO NOT REGULATE FOREIGN CAPITAL NEED TO REACH AN UNDERSTANDING LEST LATIN AMERICAN INTEGRATION BE MADE IMPOSSIBLE. SHLAUDEMAN

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